CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

June 1, 2004

INVOCATION
Pastor Jim Schrotel of Unity Chapel of Light Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG
Councilmember Patino led the pledge of allegiance.

ROLL CALL
MEMBERS PRESENT
Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino.

ALSO PRESENT
City Manager Ness, Assistant City Manager Haydon, City Attorney Montandon, Director of Administrative Services Cox, Director of Public Works Karp, Police Chief Macagni, Parks Services Manager Franklin, Utilities Manager Chisam, City Engineer Sweet, Senior Deputy City Attorney Stockton, Transportation Services Manager Rye, and Chief Deputy City Clerk Perez.

NATIONAL MANAGEMENT WEEK
Councilmember Orach read the proclamation declaring the week of June 7 though 11, 2004, as "National Management Week" in the City of Santa Maria in recognition of the National Management Association's goal of strengthening the free enterprise system by raising the standards of the management profession. The proclamation was presented to Tiffany Perez, incoming President of the Santa Maria Employees Chapter of the National Management Association.

MANAGER OF THE YEAR
Tiffany Perez, incoming President of the Santa Maria Employees Chapter of the National Management Association, introduced the six nominees for Manager of the Year – Marc Bierdzinski, Planning Division Manager; Michael Cordero, Police Lieutenant; Rick Haydon, Assistant City Manager; Danny Macagni, Chief of Police; Ken Schnell, Information Services Manager; and John Zhao, Solid Waste Utilities Engineer. She announced the 2004 Manager of the Year was Lieutenant Michael Cordero. She read an excerpt from his nomination and presented the Manager of the Year award.

Mayor Lavagnino congratulated Lieutenant Cordero and thanked him for all his hard work.

SPECIAL OLYMPICS LAW ENFORCEMENT TORCH RUN DAY
Councilmember Mariscal read the proclamation declaring Tuesday, June 8, 2004, as "Special Olympics Southern California Law Enforcement Torch Run Day" and encouraging the citizens to recognize the law enforcement officers from the City for their efforts in support of the Special Olympic athletes. He presented the proclamation to Ken George from the Santa Maria Police Department.

CONSENT CALENDAR
James Watson requested Item 2A be pulled. Councilmember Mariscal requested Item 2C be pulled. Councilmember Trujillo requested Item 2J be pulled.

Item 2A – Waiver of reading Ordinances.
James Watson suggested the Council read all ordinances in full for the benefit of the public.

Item 2C – Budget.
Councilmember Mariscal announced that the City had prepared a brief summary of the budget which was available to the public at no charge, or a copy of the full budget could be purchased from the Administrative Services Department or reviewed at the Library.

Item 2J – Agreement with Driver Alliant.
Councilmember Trujillo asked if the City was contracting with Driver Alliant because they had some special expertise in the healthcare area since there were several local firms that had submitted proposals.

Assistant City Manager Haydon explained the City was looking for a firm that had worked with other cities transitioning out of CalPERS health. Driver Alliant had experience doing that.

Consent Calendar Items A through P, were accepted, approved with the indicated action, and ordered ratified on motion by Councilmember Mariscal, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
Recommendation of City Staff to waive the reading in full of all ordinances. Ordinances on the Consent Calendar will be adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of May 18, 2004, were approved as submitted.

C. PROPOSED BUDGET
Council received the proposed budget for 2004-2006 and set June 15, 2004, at 6:30 p.m. as the date and time for the public hearing on the budget.

D. PERSONNEL CHANGES
Resolution No. 2004-86 was adopted approving personnel changes to the PEG Coordinator classification.

Resolution No. 2004-86 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A JOB SPECIFICATION FOR THE PUBLIC, EDUCATION, AND GOVERNMENT (PEG) ACCESS COORDINATOR.

E. BONDS
Council accepted as complete the public improvements and authorized the release of a Faithful Performance Bond regarding Carlotti Mini Storage for BRC Self Storage of Santa Maria, LP in the amount of $63,500.

F. BONDS
Council accepted as complete the public improvements and authorized the release of a Faithful Performance Bond for Los Adobes De Maria II associated with a project located at 616 S. Blosser Road in the amount of $272,600.

G. WARRANTS
Warrant Nos. 112732 to 113021 in the amount of $15,654,985.24 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 108885, 111749, 111859, 112632, and 112689 were cancelled.

H. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads as shown on records on file in the Administrative Services Department and having been approved for payment by the Director of Administrative Services.

I. APPROPRIATIONS AND TRANSFERS
Resolution No. 2004-87 was adopted authorizing appropriations and transfers to cover prepayments for PERS contributions and bond debt service.

Resolution No. 2004-87 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING APPROPRIATIONS AND TRANSFERS FROM GENERAL CAPITAL PROJECTS AND APPROVING PREPAYMENTS FOR PERS CONT IONS AND BOND DEBT SERVICE.

J. AGREEMENT WITH DRIVER ALLIANT
Resolution No. 2004-88 was adopted approving an agreement between the City of Santa Maria and Driver Alliant to assist City staff in exploring cost-effective, stable and quality alternatives to CalPERS Health Benefits Program.

Resolution No. 2004-88 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN AGREEMENT WITH DRIVER ALLIANT AND AUTHORIZING THE DIRECTOR OF ADMINISTRATIVE SERVICES TO FINALIZE NEGOTIATIONS AND EXECUTE THE AGREEMENT WITH DRIVER ALLIANT TO ASSIST CITY STAFF IN EXPLORING ALTERNATIVES TO THE CALPERS HEALTH BENEFITS PROGRAM.

K. ALCOHOLIC BEVERAGE LICENSE
Council noted and filed a Notice from the California Department of Alcoholic Beverage Control of an application for an Alcoholic Beverage License in an existing restaurant for which a conditional use permit was previously approved (Type 41, On-Sale Beer and Wine) for the business Grand China located at 800 S. Broadway.

L. ALCOHOLIC BEVERAGE LICENSE
Council noted and filed a Notice from the California Department of Alcoholic Beverage Control of an application for an Alcoholic Beverage License in an existing warehouse (Type 10) for the business Wyatt Wine Cellars located at 2717 Aviation Way (Central Coast Wine Warehouse).

M. TDA CLAIM
Resolution No. 2004-89 was adopted authorizing the filing of a claim with Santa Barbara County Association of Governments for Fiscal Year 2004-2005 for funding assistance for Santa Maria Area Transit (SMAT) operating and capital projects, pedestrian and bicycle facilities, and for street and road purposes.

Resolution No. 2004-89 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING THE FILING OF A CLAIM WITH THE SANTA BARBARA COUNTY ASSOCIATION OF GOVERNMENTS FOR ALLOCATION OF TRANSPORTATION DEVELOPMENT ACT FUNDS FOR FISCAL YEAR 2004-05.

N. SUBDIVISION MAP AND AGREEMENT
Resolution No. 2004-90 was adopted approving the subdivision map and agreement for Bradley Square, Tract 5782, Phases 5, 8 and 9.

Resolution No. 2004-90 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE SUBDIVISION MAP AND AGREEMENT FOR BRADLEY SQUARE, TRACT 5782, PHASES 5, 8 AND 9.

O. WILLIAMS FEED LOT
Resolution No. 2004-91 was adopted approving the Engineer's Report and Resolution 2004-92 was adopted declaring an intent to levy and collect assessments for Assessment District 96-1, Williams Feedlot, and setting a public hearing for July 6, 2004, to consider approval of the proposed assessments.

Resolution No. 2004-91 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE ENGINEER'S REPORT FOR

ANNUAL ASSESSMENT PROCEEDINGS UNDER THE LANDSCAPING AND LIGHTING ACT OF 1972, FOR ASSESSMENT DISTRICT NO. 96-1, WILLIAMS FEEDLOT.

Resolution No. 2004-92 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, DECLARING ITS INTENTION TO LEVY AND COLLECT ASSESSMENTS AND SETTING A TIME AND PLACE FOR A PUBLIC HEARING THEREON, FOR ASSESSMENT DISTRICT NO. 96-1, WILLIAMS FEEDLOT.

P. INTENT TO ANNEX

Resolution No 2004-93 was adopted expressing intent to annex three (3) parcels into the Northwest and Southwest Landscape and Lighting Districts.

Resolution No. 2004-93 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, INITIATING PROCEEDINGS AND DECLARING THE INTENT TO ANNEX TERRITORY TO ASSESSMENT DISTRICTS PURSUANT TO THE "LANDSCAPE AND LIGHTING ACT OF 1972" (BEN PAYNE AUTO SALES, SPRINT PCS WIRELESS/HERTZ RENTAL, AND ROSE GARDEN VILLAGE).

PUBLIC COMMENT

Hector Gonzalez, Santa Maria Oral Health Coalition, spoke in favor of fluoridation and urged voters to vote "no" on Measure W.

Michael Murphy spoke regarding the difficulties of running a taxicab business and what Santa Maria Valley Taxi was doing to increase service, commended staff for being fair and unbiased, and announced that their daughter would be representing the area as "Miss Central Coast."

James Watson spoke against fluoridation.

SMAT MAINTENANCE CONTRACTOR

City Engineer Sweet gave the staff report. SMAT is the City public transit operation which consists of an array of four major contracts. Historically, the City has experimented with several different business arrangements in order to procure SMAT fleet maintenance services. For many years, the SMAT fleet was maintained in-house by City staff. In 1996, SMAT fleet maintenance was contracted out by the City to Santa Barbara Transportation. That contract expired July 1, 2000. At that time, it was decided to include the SMAT fleet maintenance into the larger SMAT operations contract. The contract was awarded to SMOOTH, Santa Maria Organization of Transportation Helpers, who sub-contracted with Santa Maria Diesel as their maintenance partner. SMAT fleet maintenance has been excellent during the term of the SMOOTH operations contract. The City has been very pleased with the work performed by Santa Maria Diesel. Santa Maria Diesel has taken the lead on designing and implementing a preventive maintenance program for the SMAT fleet that dramatically reduces service interruptions due to vehicle breakdowns and aggressively maintains the modern, mechanically sophisticated SMAT fleet. That is why when the SMOOTH operations contract expired, City staff chose to contract directly with a known and respected local diesel maintenance firm for fleet maintenance services. Four local businesses were invited to meet with staff to discuss a request for proposals and the SMAT program. On April 29, 2004, the City received three competitive bids/proposals from Santa Maria Diesel, Gibbs Truck Centers, and American Star Transportation Services. The SMAT Maintenance Technical Advisory Committee reviewed and ranked the proposals and unanimously recommended Santa Maria Diesel for the next maintenance contractor for SMAT. Santa Maria Diesel's proposal was very professional and scored high on each category including costs. They scored the highest on ability to perform due to the successful relationship developed with the City over the last four years. Considering the high quality of all three proposals received and similar pricing offered, the City must consider factors such as continuity and the excellent history of past performance. The City received a letter from Robert Dockerty of American Star Tours suggesting some changes such as using the State's tire contract to purchase tires. The tire supplier was already looking into doing that.

Mayor Lavagnino opened the public hearing.

Robert Dockerty, American Star Tours, commented Santa Maria Diesel was a top-notch dealer who was very reputable and professional. He questioned whether the RFP process met Federal Transportation Agency (FTA) requirements.

City Engineer Sweet explained that the City had sent the contract to the FTA for review prior to letting the Request For Proposal out. He had tried to contact the FTA again to verify it was acceptable but had not received a return telephone call.

Mary McKinley, SMOOTH and MV Transportation, spoke in favor of awarding the contract to Santa Maria Diesel and commended them for the excellent service they had provided to SMAT over the last few years.

There being no further comments, Mayor Lavagnino closed the public hearing.

Resolution No. 2004-94 was adopted on motion by Councilmember Orach, second by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2004-94 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE SELECTION OF THE MAINTENANCE CONTRACTOR FOR SANTA MARIA AREA TRANSIT (SMAT).

YELLOW CAB APPEAL

Director of Administrative Services Cox gave the staff report. This appeal is of the City's denial of the right to operate a taxicab service in the City of Santa Maria filed on behalf of Yellow Cab Company. The City Council adopted a new comprehensive set of taxicab regulations effective on March 19, 2004. On March 31, 2004, Yellow Cab Company submitted an application for a Certificate of Public Convenience and Necessity to Operate Taxicabs in the City of Santa Maria. Under the City's new ordinance, the Director of Administrative Services conducts an investigation and determines whether the application meets the standards adopted by the City Council, if the applicant meets the minimum qualifications, and if there is a need for additional taxicab service in the City. After completing this process, the Director of Administrative Services made a decision to deny the application on April 9, 2004. A letter was sent informing the applicant of the denial and the reasons therefore. On April 23, 2004, the City received a timely appeal. Santa Maria Municipal Code Section 4-10.204 requires the Director of Administrative Services to examine the following five factors: 1) public demand for taxicab service; 2) adequacy of existing public transportation; 3) proposed equipment and color scheme; 4) applicant's qualifications; and 5) other relevant facts. As to items 1 and 2, there was not enough evidence to evaluate prior to April 9, 2004. There was no problem with item 3. The denial was based on factors 4 and 5. After conducting the hearing and considering all the evidence, the City Council may uphold the denial or grant the appeal. The factors the City Council may consider are the same as those considered by the Director of Administrative Services in denying the application.

Mayor Lavagnino stated he understood the Certificate of Public Convenience was not transferable, and the applicant, Guy Munson, was now deceased. He asked if the appeal should even move forward.

City Attorney Montandon stated when the Director of Administrative Services looked at the application, there was no information regarding the status of Mr. Munson. Since then the City had heard that he passed away. The choices were to start over and look at the same qualifications again, or go ahead with the appeal. The decision was made to go ahead with the appeal. If the appeal is granted, then the City would look at the status of ownership. The Director would then continue on with his investigation and determine if another application for Mr. Romero would have to be filed.

Mayor Lavagnino opened the public hearing.

Maryann Cazzell, attorney for Anthony Romero, stated the problems for Yellow Cab started in August of last year when without adequate notice to Mr. Romero or Mr. Munson, Yellow Cab's rights to operate were taken away. Then Yellow Cab continued to operate giving free service to people who were inebriated or couldn't afford to pay, and the City Attorney's office started a civil lawsuit and got an injunction on September 11, 2003. Then the City Attorney's office proposed a new taxicab ordinance. That ordinance had a grandfather clause whereby the only other taxicab company, Santa Maria Valley Taxi, was grandfathered in and did not have to reapply. On December 24, 2003, Mr. Romero got his first Certificate of Public Convenience from the City. On March 29, 2004, the City granted him a certificate for a second car. The City had already deemed them fully compliant. Then on March 31, 2004, Mr. Romero submitted a new application under the new ordinance. The application was denied by Mr. Cox and an appeal was filed. Yellow Cab's insurance has been in full force and effect and has been the entire time Mr. Romero has been operating. All of the things that were mentioned in the letter of denial and in the staff report were addressed in the appeal. Additional information was submitted tonight that includes a petition from the people of Santa Maria with over 200 signatures of people who want Yellow Cab back in operation. If the City does not like Mr. Romero, that is no reason to harm the citizens of Santa Maria. The need for another taxicab company has been proven by the survey that the City did. As far as the criminal history for Mr. Romero, he does have a criminal history. It is for driving without a license from way back. Mr. Romero is disabled, and he is not allowed to drive. He doesn't drive a taxicab and never has for hire. Mr. Munson has passed on; however, Mr. Romero owns the company. He owns the rights to the name. The cabs are already in his name. He pays for the insurance. It would not be hard to transition over. There are other alternatives such as allowing the company to operate with a short-time sunset date, a temporary permit, letting the appeal go forward and continuing the matter over to the next hearing date, or doing whatever is necessary so the company can get back on the road.

Councilmember Mariscal refuted Miss Cazzell's comments regarding improper notification of the hearing in August of last year. He said it was frustrating not knowing who was the actual owner of the company. The applicant had basically nothing to do with the company.

City Manager Ness stated he and the Director of Administrative Services had discussed that same issue since the applicant was different from the owner, and there was no information submitted on the applicant. The City could have rejected the application because of that, but Mr. Romero could have resubmitted the application with him listed as the applicant and owner. It was decided that the City would move forward with review of the application as if Mr. Romero was the applicant.

Councilmember Trujillo asked about the insurance. He said from all the information presented, it appeared there had been a problem with the insurance.

Miss Cazzell replied that she believed there was insurance in effect at all times that there was a Certificate of Convenience in place. There was no lapse in coverage. Now it is in effect and is fully paid through the end of the year.

Frieda Siamon, General Manager of Yellow Cab, stated a lot of changes had been made to Yellow Cab after she took over. They were ready to add two more cabs which Santa Maria did need. There needed to be more cabs on the road. The application asked what Yellow Cab was going to do about promoting tourism in the City. Not having enough transportation, not having enough cabs on the road, hurt tourism. People were tired of waiting an hour for a cab. She talked about a time when she had called Santa Maria Valley Taxi to pick up her 14-year old grand-daughter at St. Joseph's School in November. It was after 5:00 p.m. and dark. A cab never arrived. There needs to be more than one cab company in Santa Maria. Competition is good. It keeps each company on their toes. Yellow Cab is ready, willing, and able to go back to work immediately.

Lee Siamon commented about statements in the staff report regarding the safety of the taxicabs. There was never a citation issued. The cabs were safe. He didn't understand why it said the cabs were unsafe. If a police officer felt the cabs were unsafe, how could he allow the cab to continue operating in an unsafe condition. During the month of March,

Yellow Cab had 15 pickups at the airport, 15 pickups at the Greyhound station, and 10 pickups at the train station. In three years, Yellow Cab only had one complaint which was handled.

Police Chief Macagni stated that Officer Prescott of the Traffic Division did issue several citations to Yellow Cab for multiple violations. The citations were issued based on solid information. The vehicles were not safe. The company would bring them into compliance for a couple of weeks, then they would be back on the streets out of compliance again.

There were no further comments. Mayor Lavagnino closed the public hearing.

Councilmember Patino stated she also shared frustration with regard to the insurance and unsafe cars. According to Mr. Kamiya from the Code Compliance Division and Officer Prescott, the cabs were not safe.

Councilmember Mariscal stated his concern was that the person that the City issued a Certificate of Convenience to spoke to the City's confidence that they would perform in the public in a manner that was professional and would be acceptable to the citizens. He asked where Mr. Romero was and why he was not here.

Miss Cazzell explained that the City had seen fit to put Mr. Romero in jail because he picked up his niece on November 21, 2003, when she was left at St. Joseph's High School and not picked up by Santa Maria Valley Taxi. He had put in a call to Santa Maria Valley Taxi who refused to pick anybody up on his behalf because he was the competition. As a result Mr. Romero got in a car and went to pick up his niece.

Councilmember Mariscal referenced Mr. Romero's criminal history included in the staff report and indicated he had concerns about the history related to continually operating motor vehicles without a license.

Miss Cazzell explained that Mr. Romero, when he was 19 years old, fell 33 feet and landed on his head. He was in a wheel chair for seven years. He is disabled. The City has done everything it could to do to muddy him. The City Council apparently approved retention of Mr. Gundert, an outside attorney; the City Council approved suing Mr. Romero and every other person associated with Yellow Cab, prosecuting him for supplying a service and trying to help people get to their destinations. The City Council should be concerned with what is going on with Mr. Romero's amendment rights.

On motion by Councilmember Patino, second by Councilmember Mariscal, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

the decision of the Director of Administrative Services was upheld and the appeal denied and staff was directed to prepare a resolution of findings to be brought back for consideration at the next City Council meeting.

REPORT BY CITY MANAGER

City Manager Ness reported that on June 15, 2004, the City Council would conduct a public hearing for the 2004-06 budget, and also on that agenda would be the resolution denying the Yellow Cab appeal.

ORAL REPORTS OF COUNCILMEMBERS AND OFFICERS

Councilmember Patino reported that last Friday at Orcutt Junior High School she participated in job interviews for the 8th grade students. She also reported on the Memorial Day ceremony at the Santa Maria Cemetery.

Councilmember Mariscal also reported on the Memorial Day ceremonies and indicated the Cemetery Board should be commended for the work that has been done at the cemetery.

CLOSED SESSION
The City Council recessed at 8:11 p.m. to a Closed Session for Conference with Legal Counsel regarding existing litigation pursuant to Subsection (a) of Government Code Section 54956.9 to discuss Santa Maria Valley Water Conservation District v. City of Santa Maria; City of Santa Maria v. Santa Maria Foods, Inc.; and Luis v. City of Santa Maria and a Conference with Legal Counsel regarding public employment (City Attorney) pursuant to Government Code Section 54957.

After the Closed Session, the following was announced:

Santa Maria Valley Water Conservation District v. City of Santa Maria – Status report.

City of Santa Maria v. Santa Maria Foods, Inc.- Direction to staff.

Luis v. City of Santa Maria – Direction to staff.

Public Employment (City Attorney) – Direction to staff.

ADJOURNMENT
There being no further business to come before the City Council at this time, the meeting was declared adjourned at 9:19 p.m. by order of Mayor Lavagnino.

APPROVED June 15, 2004
Date

Patricia A. Adley
Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST: Patricia A. Adley
Chief Deputy City Clerk

L. L. Lavagnino
Mayor of the City of Santa Maria